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SENATE BILL 6175

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State of Washington                      60th Legislature      2007 1st Special Session

By Senators Benton, Roach, McCaslin, Holmquist, Stevens and Sheldon

Read first time 11/29/2007. Referred to Committee on Ways & Means.

1            AN ACT Relating to limiting taxing districts' regular property tax  
2 levy increases; reenacting and amending RCW 84.55.005 and 84.55.0101;  
3 creating a new section; repealing RCW 84.55.092; and declaring an  
4 emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6            **Sec. 1.** RCW 84.55.005 and 1997 c 393 s 20 and 1997 c 3 s 201 are  
7 each reenacted and amended to read as follows:

8            As used in this chapter:

9            (1) "Inflation" means the percentage change in the implicit price  
10 deflator for personal consumption expenditures for the United States as  
11 published for the most recent twelve-month period by the bureau of  
12 economic analysis of the federal department of commerce in September of  
13 the year before the taxes are payable;

14            (2) "Limit factor" means:

15            (a) For taxing districts with a population of less than ten  
16 thousand in the calendar year prior to the assessment year, one hundred  
17 (~~six~~) one percent;

18            (b) For taxing districts for which a limit factor is authorized

1 under RCW 84.55.0101, the lesser of the limit factor authorized under  
2 that section or one hundred (~~six~~) one percent;

3 (c) For all other districts, the lesser of one hundred (~~six~~) one  
4 percent or one hundred percent plus inflation; and

5 (3) "Regular property taxes" has the meaning given it in RCW  
6 84.04.140.

7 **Sec. 2.** RCW 84.55.0101 and 1997 c 3 s 204 are each reenacted and  
8 amended to read as follows:

9 Upon a finding of substantial need, the legislative authority of a  
10 taxing district other than the state may provide for the use of a limit  
11 factor under this chapter of one hundred (~~six~~) one percent or less  
12 unless an increase greater than this limit is approved by the voters at  
13 an election as provided in RCW 84.55.050. In districts with  
14 legislative authorities of four members or less, two-thirds of the  
15 members must approve an ordinance or resolution under this section. In  
16 districts with more than four members, a majority plus one vote must  
17 approve an ordinance or resolution under this section. The new limit  
18 factor shall be effective for taxes collected in the following year  
19 only.

20 NEW SECTION. **Sec. 3.** RCW 84.55.092 (Protection of future levy  
21 capacity) and 1998 c 16 s 3, 1988 c 274 s 4, & 1986 c 107 s 3 are each  
22 repealed.

23 NEW SECTION. **Sec. 4.** This act is necessary for the immediate  
24 preservation of the public peace, health, or safety, or support of the  
25 state government and its existing public institutions, and takes effect  
26 immediately.

27 NEW SECTION. **Sec. 5.** Sections 1 and 2 of this act apply both  
28 prospectively and retroactively to taxes levied for collection in 2002  
29 and thereafter.

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